STATE OF NEW MEXICO ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT OIL CONSERVATION DIVISION

NMOCD - ACOI- 181

IN THE MATTER OF CELERO ENERGY II, LP,

Respondent.

INACTIVE WELL AGREED COMPLIANCE ORDER

Pursuant to the New Mexico Oil and Gas Act, NMSA 1978, Sections 70-2-1 through 70-2-38, as amended ("Act") and OCD Rule 1227.E [19.15.14.1227(E) NMAC], the Director of the Oil Conservation Division ("OCD") and Celero Energy II, LP ("Operator") enter into this Inactive Well Agreed Compliance Order ("Order" or "ACOI") under which Operator agrees to plug, place on approved temporary abandonment status or restore to production or other beneficial use the wells identified herein pursuant to the Act and OCD Rule 201 [19.15.4.201 NMAC] in accordance with the following agreed schedule and procedures, and agrees to pay penalties as set out below if it fails to meet the schedule set out in this Order.

This Order replaces Inactive Well Agreed Compliance Order 174. 16 9

FINDINGS

- 1. The OCD is the state division charged with administration and enforcement of the Act, and rules and orders adopted pursuant to the Act.
- 2. Operator is a limited partnership doing business in the state of New Mexico.
- 3. Operator is the operator of record under OGRID 247128 for the wells identified in Exhibit "A," attached.
- 4. OCD Rule 201 [19.15.4.201 NMAC] states, in relevant part:
 - "A. The operator of any of the following wells, whether cased or uncased, shall be responsible for the plugging thereof: wells drilled for oil or gas; or service wells including but not limited to seismic, core, exploration or injection wells.
 - B. A well shall be either properly plugged and abandoned or placed in approved temporary abandonment in accordance with these rules within 90 days after:

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- (3) a period of one year in which a well has been continuously inactive."
- 5. The wells identified in Exhibit "A"
 - (a) have been continuously inactive for a period of one year plus 90 days;
 - (b) are not plugged or abandoned under OCD Rule 202 [19.15.4.202 NMAC]; and
 - (c) are not on approved temporary abandonment status under OCD Rule 203 [19.15.4.203 NMAC].
- 6. NMSA 1978, Section 70-2-31(A) authorizes the assessment of civil penalties of up to one thousand dollars per day per violation against any person who knowingly and willfully violates any provision of the Oil and Gas Act or any rule or order adopted pursuant to the Act.
- 7. NMSA 1978, Section 70-2-33(A) defines "person" in relevant part as

"any individual, estate, trust, receiver, cooperative association, club, corporation, company, firm, partnership, joint venture, syndicate or other entity..."

CONCLUSIONS

- 1. The OCD has jurisdiction over the parties and subject matter in this proceeding.
- 2. The wells identified in Exhibit "A" are out of compliance with Rule 201 [19.15.4.201 NMAC].
- 3. As operator of the wells identified in Exhibit "A," Operator is responsible for bringing those wells into compliance with Rule 201 [19.15.4.201 NMAC].
- 4. Operator is a "person" as defined by NMSA 1978, Section 70-2-33(A) and may be subject to civil penalties for knowing and willful violations of the Oil and Gas Act or rules or orders adopted pursuant to the Act.

ORDER

- 1. Operator agrees to bring at least 10 of the wells identified in Exhibit "A" into compliance with OCD Rule 201 [19.15.4.201 NMAC] by June 25, 2008 by
 - (a) restoring the well to production or other OCD-approved beneficial use and filing a C-115 documenting such production or use;
 - (b) causing the wellbore to be plugged in accordance with OCD Rule 202.B(2) [19.15.4.202(B)(2) NMAC] and filing a C-103 describing the completed work; or

- (c) placing the well on approved temporary abandonment status pursuant to OCD Rule 203 [19.15.4.203 NMAC].
- 2. Operator shall file a compliance report identifying each well returned to compliance, stating the date it was returned to compliance and describing how the well was returned to compliance (restored to production or other approved beneficial use, plugged wellbore, approved temporary abandonment status.) Transfer of a well identified on Exhibit "A" to another operator does not count towards Operator's obligation to return wells to compliance under the terms of this Order, but does reduce the total number of wells for which Operator is responsible under the terms of this Order. The written compliance report must be mailed or e-mailed to the OCD's Enforcement and Compliance Manager so that it is received by the compliance deadline of June 25, 2008.
- 3. When the OCD receives a timely compliance report indicating that Operator has returned at least 10 wells to compliance and verifies the accuracy of that report, the OCD shall issue an amendment to this Order extending its terms for an additional six-month period. OCD shall provide a copy of that amendment to Operator at Operator's address of record provided pursuant to OCD Rule 100.C [19.15.3.100(C) NMAC]. If, in any six-month period, Operator returns more wells to compliance than the number required under this Order for that six-month period, the wells in excess of the number required will count towards the Operator's requirements for the next six-month period.
- 4. If Operator returns at least 10 wells to compliance in the second six-month period, OCD shall issue an amendment to this Order extending its term for a third sixmonth period. If Operator returns at least 10 wells to compliance in the third sixmonth period, OCD shall issue an amendment to this Order extending its term for a fourth six-month period. The total length of this Agreed Compliance Order, including the initial six-month period and any amendments, shall not exceed two years. At the end of two years, Operator and the OCD may negotiate a new agreed compliance order.
- 5. If Operator fails to bring the number of wells into compliance required in a sixmonth period covered by this Order or amendments issued to this Order, Operator agrees to pay a penalty of \$1000 times the number of wells it failed to bring into compliance under its schedule during the applicable six month period, subject to the terms of this Order. In the event the Operator encounters unanticipated circumstances that prevent it from meeting its goal within any six-month period covered by this Order or amendments issued to this Order, Operator may apply for a waiver or reduction of the penalty by making the request in writing to the OCD's Enforcement and Compliance Manager. If the Enforcement and Compliance Manager concurs with the Operator's request, the request for waiver or reduction of penalties may be granted administratively. If the Enforcement and Compliance Manager does not concur with the Operator's request or fails to respond within 10 days, the Operator may file an application for hearing on the

request. Any application for hearing on a request for waiver or reduction of penalty must be filed within 30 days of the date the compliance report is due. Once Operator pays the penalty or applies for a waiver or reduction of the penalty, the OCD may, in its discretion, issue an amendment to this Order extending its terms for an additional six-month period.

Example A: Operator X enters into an agreed compliance order under which it agrees to bring 5 wells into compliance in each six-month period. At the end of the first six-month period, Operator X has brought only 3 wells into compliance. Operator X pays the \$2000 penalty. The OCD exercises its discretion to issue an amendment extending the term of the agreed compliance order for a second sixmonth period, again requiring Operator X to bring at least 5 wells into compliance. During the second six-month period, Operator brings only one well into compliance. Operator X pays a \$4000 penalty. Although Operator X pays the \$4000 penalty, the OCD exercises its discretion and declines to issue an amendment to extend the terms of the agreed compliance order for a third sixmonth period.

Example B: Operator Y enters into an agreed compliance order under which it agrees to bring 10 wells into compliance in each six-month period. Although Y has made arrangements for plugging the 10 wells, due to adverse weather conditions and mechanical difficulties with the available plugging rig, Y is able to plug only 3 wells. Y applies for a waiver of the \$7000 penalty. The Enforcement and Compliance Manager does not agree to waive the full amount of the penalty, and the Operator files an application for hearing on the request for waiver of penalty. While the application is pending, the OCD exercises its discretion and issues an amendment to extend the terms of the agreed compliance order for a second six-month period.

- 6. Thirty days after the compliance deadline set by this Order or any amendments to this Order, any wells on Exhibit "A" not in compliance with OCD Rule 201 [19.15.4.201 NMAC] will appear on the inactive well list kept pursuant to OCD Rule 40.F [19.15.1.40(F) NMAC].
- 7. By signing this Order, Operator expressly:
 - (a) acknowledges the correctness of the Findings and Conclusions set forth in this Order;
 - (b) agrees to return to compliance 10 of the wells identified in Exhibit "A" by June 25, 2008, and agrees to comply with the compliance deadlines set by any amendments to this Order;
 - (c) agrees to submit a compliance report as required in Ordering Paragraph 2 by the compliance deadline set by any amendments to this Order;
 - (d) agrees to pay penalties as set out in and limited by Ordering Paragraph 5 if it fails to return the required number of wells to compliance under the deadlines set by this Order or any amendments to this Order;

- (e) waives any right, pursuant to the Oil and Gas Act or otherwise, to an appeal from this Order, or to a hearing either prior to or subsequent to the entry of this Order other than a hearing on a request for waiver or reduction of penalties; and
- agrees that the Order and amendments to the Order may be enforced by (f) OCD or Oil Conservation Commission Order, by suit or otherwise to the same extent and with the same effect as a final Order of the OCD or Oil Conservation Commission entered after notice and hearing in accordance with all terms and provisions of the Oil and Gas Act.
- 8. This Order applies only to the enforcement of OCD Rule 201 [19.15.4.201 NMAC] against those wells identified in Exhibit "A." Other wells operated by Operator out of compliance with OCD Rule 201 [19.15.4.201 NMAC] may be subject to immediate enforcement action under the Oil and Gas Act and OCD Rules. Wells identified in Exhibit "A" that are out of compliance with the Oil and Gas Act or OCD Rules other than Rule 201 [19.15.4.201 NMAC] may be subject to immediate enforcement action under the Oil and Gas Act and OCD Rules.
- 9. The OCD reserves the right to file an application for hearing to obtain authority to plug any well identified in Exhibit "A" and forfeit the applicable financial assurance if the well poses an immediate environmental threat.

Mark Fesmire, P.E.

Director, Oil Conservation Division

ACCEPTANCE

Celero Energy II, LP hereby accepts the foregoing Order, and agrees to all of the terms and provisions set forth in that Order.

CELERO ENERGY II, LP

By: Celero Energy Holdings II, LLC, General Partner

Its: Vice President – Land Date: December 18, 2007

Exhibit A to Agreed Compliance Order for Celero Energy II, LP

Total Well Count: 219 Inactive Well Count: 160 Since: 2/10/2007 Printed On: Friday, December 07 2007

District	API	Well	ULSTR	OCD Unit	OGRID		Lease Type		Last Production	Formation/Notes	Status	TA Exp Date
1	30-005-00925	DRICKEY QUEEN SAND UNIT #001	A-35-13S-31E	A	247128	CELERO ENERGY II, LP	S	0	03/1986			
1	30-005-00923	DRICKEY QUEEN SAND UNIT #002	B-35-13S-31E	В	247128	CELERO ENERGY II, LP	S	I	12/1992			
1	30-005-00922	DRICKEY QUEEN SAND UNIT #003	E-35-13S-31E	E	247128	CELERO ENERGY II, LP	S	0	03/1999			
1	30-005-00924	DRICKEY QUEEN SAND UNIT #004	G-35-13S-31E	G	247128	CELERO ENERGY II, LP	S	0	08/1996			
1	30-005-00926	DRICKEY QUEEN SAND UNIT #005	H-35-13S-31E	н	247128	CELERO ENERGY II, LP	S	I	12/1992			
1	30-005-00903	DRICKEY QUEEN SAND UNIT #006	K-34-13S-31E	K	247128	CELERO ENERGY II, LP	F	0	02/1981			
1	30-005-00902	DRICKEY QUEEN SAND UNIT #007	L-34-13S-31E	L	247128	CELERO ENERGY II, LP	F	I	12/1992			
1	30-005-00901	DRICKEY QUEEN SAND UNIT #008	M-34-13S-31E	М	247128	CELERO ENERGY II, LP	F	0	02/1999			
1	30-005-00900	DRICKEY QUEEN SAND UNIT #009	N-34-13S-31E	N	247128	CELERO ENERGY II, LP	F	0	02/1984			
1	30-005-00898	DRICKEY QUEEN SAND UNIT #011	H-33-13S-31E	Н	247128	CELERO ENERGY II, LP	F	I	12/1992			
1	30-005-00894	DRICKEY QUEEN SAND UNIT #012	I-33-13S-31E	I	247128	CELERO ENERGY II, LP	F	0	03/1999			
1	30-005-00895	DRICKEY QUEEN SAND UNIT #013	J-33-13S-31E	J	247128	CELERO ENERGY II, LP	F	I	12/1992			
1	30-005-00897	DRICKEY QUEEN SAND UNIT #014	O-33-13S-31E	0	247128	CELERO ENERGY II, LP	F	0	02/1999			
1	30-005-00896	DRICKEY QUEEN SAND UNIT #015	P-33-13S-31E	Р	247128	CELERO ENERGY II, LP	F	I	03/2000			
1	30-005-00973	DRICKEY QUEEN SAND UNIT #016	2-3 -14S-31E	В	247128	CELERO ENERGY II, LP	F	1	03/2000			
1	30-005-00971	DRICKEY QUEEN SAND UNIT #017	3-3 -14S-31E	С	247128	CELERO ENERGY II, LP	F	0	03/1999			
1	30-005-00977	DRICKEY QUEEN SAND UNIT	4-3 -14S-31E	D	247128	CELERO ENERGY II, LP	F	I	12/1992			

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		#018							
1	30-005-00976	DRICKEY QUEEN SAND UNIT #019	E-3 -14S-31E	E	247128	CELERO ENERGY II, LP	F	0	03/2000
1	30-005-00970	DRICKEY QUEEN SAND UNIT #020	F-3 -14S-31E	F	247128	CELERO ENERGY II, LP	F	I	12/1992
1	30-005-00965	DRICKEY QUEEN SAND UNIT #021	J-3 -14S-31E	J	247128	CELERO ENERGY II, LP	F	I	12/1992
1	30-005-00969	DRICKEY QUEEN SAND UNIT #022	K-3 -14S-31E	К	247128	CELERO ENERGY II, LP	F	0	03/1984
1	30-005-00972	DRICKEY QUEEN SAND UNIT #023	M-3 -14S-31E	M	247128	CELERO ENERGY II, LP	F	0	03/2000
1	30-005-00968	DRICKEY QUEEN SAND UNIT #024N	N-3 -14S-31E	N	247128	CELERO ENERGY II, LP	F	I	12/1992
1	30-005-00963	DRICKEY QUEEN SAND UNIT #025	O-3 -14S-31E	0	247128	CELERO ENERGY II, LP	F	0	03/1999
1	30-005-01024	DRICKEY QUEEN SAND UNIT #026	A-10-14S-31E	Α	247128	CELERO ENERGY II, LP	F	0	03/1999
1	30-005-01026	DRICKEY QUEEN SAND UNIT #027	B-10-14S-31E	В	247128	CELERO ENERGY II, LP	F	I	12/1992
1	30-005-01028	DRICKEY QUEEN SAND UNIT #028	C-10-14S-31E	С	247128	CELERO ENERGY II, LP	F	0	02/1999
1	30-005-01029	DRICKEY QUEEN SAND UNIT #029	D-10-14S-31E	D	247128	CELERO ENERGY II, LP	F	I	03/2000
1	30-005-01027	DRICKEY QUEEN SAND UNIT #030	E-10-14S-31E	E	247128	CELERO ENERGY II, LP	F	0	09/2002
1	30-005-01022	DRICKEY QUEEN SAND UNIT #031	F-10-14S-31E	F	247128	CELERO ENERGY II, LP	F	I	02/1999
1	30-005-01023	DRICKEY QUEEN SAND UNIT #032	G-10-14S-31E	G	247128	CELERO ENERGY II, LP	F	0	03/1999
1	30-005-01025	DRICKEY QUEEN SAND UNIT #033	H-10-14S-31E	Н	247128	CELERO ENERGY II, LP	F	I	12/1992
1	30-005-01030	DRICKEY QUEEN SAND UNIT #034	J-10-14S-31E	J	247128	CELERO ENERGY II, LP	F	I	12/1992
1	30-005-01035	DRICKEY QUEEN SAND UNIT #035	K-10-14S-31E	K	247128	CELERO ENERGY II, LP	F	0	09/2002
1	30-005-01036	DRICKEY QUEEN SAND UNIT #036	L-10-14S-31E	L	247128	CELERO ENERGY II, LP	F	I	02/1999
1	30-005-01034	DRICKEY QUEEN	M-10-14S-31E	М	247128	CELERO ENERGY	F	0	10/2002

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		SAND UNIT #037				II, LP				
1	30-005-01037	DRICKEY QUEEN SAND UNIT #038	N-10-14S-31E	N	247128	CELERO ENERGY II, LP	F	I	01/1997	
1	30-005-01075	DRICKEY QUEEN SAND UNIT #039	A-16-14S-31E	Α	247128	CELERO ENERGY II, LP	S	I	04/1995	
1	30-005-01070	DRICKEY QUEEN SAND UNIT #040	B-16-14S-31E	В	247128	CELERO ENERGY II, LP	S	I	12/1992	
1	30-005-01074	DRICKEY QUEEN SAND UNIT #041	G-16-14S-31E	G	247128	CELERO ENERGY II, LP	S	0	12/1992	
1	30-005-01076	DRICKEY QUEEN SAND UNIT #042	H-16-14S-31E	н	247128	CELERO ENERGY II, LP	S	I	06/1998	
1	30-005-01063	DRICKEY QUEEN SAND UNIT #044	D-15-14S-31E	D	247128	CELERO ENERGY II, LP	P	I	06/1998	
1	30-005-01064	DRICKEY QUEEN SAND UNIT #046	F-15-14S-31E	F	247128	CELERO ENERGY II, LP	Р	I	03/2004	
1	30-005-01055	DRICKEY QUEEN ' SAND UNIT #047	K-15-14S-31E	K	247128	CELERO ENERGY II, LP	F	0	08/1974	
1	30-005-01059	DRICKEY QUEEN SAND UNIT #048	L-15-14S-31E	L	247128	CELERO ENERGY II, LP	F	I	04/1995	
1	30-005-01129	DRICKEY QUEEN SAND UNIT #049	B-22-14S-31E	В	247128	CELERO ENERGY II, LP	P	0	03/1986	
1	30-005-01133	DRICKEY QUEEN SAND UNIT #050	C-22-14S-31E	С	247128	CELERO ENERGY II, LP	F	0	08/1996	
1	30-005-01122	DRICKEY QUEEN SAND UNIT #051	D-22-14S-31E	D	247128	CELERO ENERGY II, LP	F	I	12/1992	
1	30-005-01121	DRICKEY QUEEN SAND UNIT #052	F-22-14S-31E	F	247128	CELERO ENERGY II, LP	F	I	08/1996	
1	30-005-01127	DRICKEY QUEEN SAND UNIT #053	H-22-14S-31E	н	247128	CELERO ENERGY II, LP	Þ	I	12/1992	
1	30-005-21132	DRICKEY QUEEN SAND UNIT #144	B-35-13S-31E	В	247128	CELERO ENERGY II, LP	S	0	01/1996	CAPROCK QUEEN
1	30-005-21133	DRICKEY QUEEN SAND UNIT #145	K-35-13S-31E	K	247128	CELERO ENERGY II, LP	S	0	03/1999	CAPROCK QUEEN
1	30-005-21135	DRICKEY QUEEN SAND UNIT #147	E-11-14S-31E	E	247128	CELERO ENERGY II, LP	S	0	03/1999	CAPROCK QUEEN
1	30-005-00910	FEDERAL V #001	P-34-13S-31E	Р	247128	CELERO ENERGY II, LP	F	I	08/2000	INT TO P&A APPVD 1-8-04 / BLM
1	30-005-00911	FEDERAL V #002	O-34-13S-31E	0	247128	CELERO ENERGY	F	0	07/2001	INT TO P&A APPVD 1-8-04 / BLM

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1	30-005-00912	FEDERAL V #003	J-34-13S-31E	J	247128	II, LP CELERO ENERGY II, LP	F	I	02/1998	INT TO P&A APPVD 1-8-04 / BLM		
1	30-005-00913	FEDERAL V #004	I-34-13S-31E	I	247128	CELERO ENERGY II, LP	F	0	08/2000	INT TO P&A APPVD 1-8-03 / BLM		
1	30-025-00287	ROCK QUEEN UNIT #001	G-19-13S-32E	G	247128	CELERO ENERGY II, LP	S	0	03/1999			
1	30-025-00286	ROCK QUEEN UNIT #002	I-19-13S-32E	I	247128	CELERO ENERGY II, LP	S	0	12/1992			
1	30-025-00291	ROCK QUEEN UNIT #004	K-19-13S-32E	К	247128	CELERO ENERGY II, LP	S	0	02/1999			
1	30-025-00292	ROCK QUEEN UNIT #005	4-19-13S-32E	М	247128	CELERO ENERGY II, LP	S	0	08/1996			
1	30-025-00301	ROCK QUEEN UNIT #008	H-30-13S-32E	Н	247128	CELERO ENERGY II, LP	S	I	05/1999			
1	30-005-00839	ROCK QUEEN UNIT #009	K-24-13S-31E	K	247128	CELERO ENERGY II, LP	S	0	12/1992			
1	30-005-00841	ROCK QUEEN UNIT #010	M-24-13S-31E	М	247128	CELERO ENERGY II, LP	S	0	03/1999			
1	30-005-00828	ROCK QUEEN UNIT #012	B-23-13S-31E	В	247128	CELERO ENERGY II, LP	S	I	12/1992			
1	30-005-00832	ROCK QUEEN UNIT #013	C-23-13S-31E	С	247128	CELERO ENERGY II, LP	s	I	12/1997			
1	30-025-00299	ROCK QUEEN UNIT #014	N-30-13S-32E	N	247128	CELERO ENERGY II, LP	S	I	12/1992		T	2/1/1988
1	30-005-00835	ROCK QUEEN UNIT #015	E-23-13S-31E	E	247128	CELERO ENERGY II, LP	S	0	10/1986			
1	30-005-00827	ROCK QUEEN UNIT #016	F-23-13S-31E	F	247128	CELERO ENERGY II, LP	S	I	12/1992			
1	30-005-00831	ROCK QUEEN UNIT #017	G-23-13S-31E	G	247128	CELERO ENERGY II, LP	S	0	10/1986			
1	30-005-00821	QUEEN UNIT #018	I-23-13S-31E	I		CELERO ENERGY II, LP	S	I	06/1984			
1	30-005-00820	ROCK QUEEN UNIT #019	J-23-13S-31E	J		CELERO ENERGY II, LP	S	I	12/1992			
1	30-005-00830	QUEEN UNIT #020	K-23-13S-31E	K		CELERO ENERGY II, LP	S	0	11/1986			
1	30-005-00825	QUEEN UNIT #021	M-23-13S-31E	М		CELERO ENERGY II, LP	S	0	08/2002			
1	30-005-00834	QUEEN UNIT #022	0-23-13S-31E	0		CELERO ENERGY II, LP	S	0	11/1984			
1	30-005-00813	ROCK QUEEN UNIT #023	A-22-13S-31E	Α	247128	CELERO ENERGY II, LP	S	0	05/1985			
1	30-005-00809	QUEEN UNIT #024	G-22-13S-31E	G		CELERO ENERGY II, LP	S	0	02/1986			
1	30-005-00816	QUEEN UNIT #025	I-22-13S-31E	I		CELERO ENERGY II, LP	S	0	08/1986			
1	30-005-00808	ROCK QUEEN	K-22-13S-31E	K	247128	CELERO ENERGY	S	I	06/1985			

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1	30-005-00812	UNIT #026	O-22-13S-31E	0	247128	II, LP CELERO	S	0	09/1986
1	30-003-00812	QUEEN UNIT #027	0-22-133-31	O	24/120	ENERGY II, LP	3	Ü	03/1300
1	30-005-00819	ROCK QUEEN UNIT #028	P-22-13S-31E	Р	247128	CELERO ENERGY II, LP	S	I	08/2002
1	30-005-00883	ROCK QUEEN UNIT #029	A-27-13S-31E	Α	247128	CELERO ENERGY II, LP	F	0	08/1986
1	30-005-00891	ROCK QUEEN UNIT #030	C-27-13S-31E	С	247128	CELERO ENERGY II, LP	F	I	12/1992
1	30-005-00886	ROCK QUEEN UNIT #031	G-27-13S-31E	G	247128	CELERO ENERGY II, LP	F	0	01/2002
1	30-005-00888	ROCK QUEEN UNIT #032	I-27-13S-31E	I	247128	CELERO ENERGY II, LP	F	I	04/2001
1	30-005-00890	ROCK QUEEN UNIT #033	O-27-13S-31E	0	247128	CELERO ENERGY II, LP	F	0	05/2002
1	30-005-00887	ROCK QUEEN UNIT #034	P-27-13S-31E	Р	247128	CELERO ENERGY II, LP	F	I	02/1999
1	30-005-00872	ROCK QUEEN UNIT #035	A-26-13S-31E	Α	247128	CELERO ENERGY II, LP	S	0	02/1999
1	30-005-00876	ROCK QUEEN UNIT #039	E-26-13S-31E	Ē	247128	CELERO ENERGY II, LP	S	0	11/2002
1	30-005-00881	ROCK QUEEN UNIT #043	I-26-13S-31E	I	247128	CELERO ENERGY II, LP	S	0	12/2002
1	30-005-00873	ROCK QUEEN UNIT #044	J-26-13S-31E	J	247128	CELERO ENERGY II, LP	S	I	08/1998
1	30-005-00879	ROCK QUEEN UNIT #045	K-26-13S-31E	K	247128	CELERO ENERGY II, LP	S	I	12/2002
1	30-005-00878	ROCK QUEEN UNIT #046	L-26-13S-31E	L	247128	CELERO ENERGY II, LP	S	I	12/1992
1	30-005-00868	ROCK QUEEN UNIT #048	N-26-13S-31E	N	247128	CELERO ENERGY II, LP	s	I	12/1992
1	30-005-00882	ROCK QUEEN UNIT #050	P-26-13S-31E	Р	247128	CELERO ENERGY II, LP	S	I	08/2002
1	30-005-00864	ROCK QUEEN UNIT #053	C-25-13S-31E	С	247128	CELERO ENERGY II, LP	F	0	02/1999
1	30-005-00863	ROCK QUEEN UNIT #054	D-25-13S-31E	D	247128	CELERO ENERGY II, LP	F	I	09/2002
1	30-005-00855	ROCK QUEEN UNIT #055	E-25-13S-31E	E	247128	CELERO ENERGY II, LP	P	0	11/2004
1	30-005-00856	ROCK QUEEN UNIT #056	F-25-13S-31E	F	247128	CELERO ENERGY II, LP	Р	I	12/2002
1	30-005-00853	ROCK QUEEN UNIT #060	J-25-13S-31E	J	247128	CELERO ENERGY II, LP	P	1	02/1999
1	30-005-00852	ROCK QUEEN UNIT #061	K-25-13S-31E	κ	247128	CELERO ENERGY II, LP	Р	0	08/1996
1	30-005-00861	ROCK QUEEN UNIT #065	0-25-13S-31E	0	247128	CELERO ENERGY II, LP	F	0	04/2001
1	30-025-00304	ROCK QUEEN	B-30-13S-32E	В	247128	CELERO ENERGY	S	I	05/1997

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		UNIT #068				II, LP				
1	30-025-00302	ROCK QUEEN UNIT #075	I-30-13S-32E	I	247128	CELERO ENERGY II, LP	s	0	03/1999	
1	30-025-00310		3-30-13S-32E	L	247128	CELERO ENERGY II, LP	S	I	04/2001	
1	30-025-00303	ROCK QUEEN UNIT #081	O-30-13S-32E	0	247128	CELERO ENERGY II, LP	S	0	03/1999	
1	30-005-00945	ROCK QUEEN UNIT #082	A-36-13S-31E	Α	247128	CELERO ENERGY II, LP	S	0	10/1999	
1	30-005-00938	ROCK QUEEN UNIT #083	B-36-13S-31E	В	247128	CELERO ENERGY II, LP	S	I	04/1995	
1	30-005-00930	ROCK QUEEN UNIT #085	D-36-13S-31E	D	247128	CELERO ENERGY II, LP	s	I	01/1995	
1	30-005-00943	ROCK QUEEN UNIT #089	I-36-13S-31E	I	247128	CELERO ENERGY II, LP	S	0	04/2001	
1	30-005-00935	ROCK QUEEN UNIT #090	K-36-13S-31E	K	247128	CELERO ENERGY II, LP	S	0	05/1997	
1	30-005-00933	ROCK QUEEN UNIT #092	M-36-13S-31E	М	247128	CELERO ENERGY II, LP	S	0	04/2001	
1	30-005-00928	ROCK QUEEN UNIT #096	C-35-13S-31E	С	247128	CELERO ENERGY II, LP	S	0	10/1986	
1	30-005-00909	ROCK QUEEN UNIT #099	B-34-13S-31E	В	247128	CELERO ENERGY II, LP	Р	I	04/1996	
1	30-005-00907	ROCK QUEEN UNIT #101	F-34-13S-31E	F	247128	CELERO ENERGY II, LP	Р	I	12/1992	
1	30-005-00906	ROCK QUEEN UNIT #102	G-34-13S-31E	G	247128	CELERO ENERGY II, LP	Р	0	03/1999	
1	30-005-00905	ROCK QUEEN UNIT #103	H-34-13S-31E	Н	247128	CELERO ENERGY II, LP	Р	I	12/1992	
1	30-025-00284	ROCK QUEEN UNIT #106	N-19-13S-32E	N	247128	CELERO ENERGY II, LP	S	1	08/2002	
1	30-025-00285	ROCK QUEEN UNIT #108	P-19-13S-32E	Р	247128	CELERO ENERGY II, LP	S	I	03/2003	
1	30-005-00824	ROCK QUEEN UNIT #114	D-23-13S-31E	D	247128	CELERO ENERGY II, LP	S	I	12/1992	
1	30-005-00978	TRIGG FEDERAL #005	P-4 -14S-31E	Р	247128	CELERO ENERGY II, LP	F	I	08/2000	
1	30-005-00979	TRIGG FEDERAL #006	I-4 -14S-31E	I	247128	CELERO ENERGY II, LP	F	0	09/1998	QUEEN
1	30-005-01013	TRIGG FEDERAL #012	B-9 -14S-31E	В	247128	CELERO ENERGY II, LP	F	I	12/1992	QUEEN
1	30-005-00982	TRIGG FEDERAL #013	0-4 -14S-31E	0	247128	CELERO ENERGY II, LP	F	0	08/2000	QUEEN
1	30-005-00984	TRIGG FEDERAL #015	G-4 -14S-31E	G		CELERO ENERGY II, LP	F	0	05/1996	QUEEN
1	30-005-00985	TRIGG FEDERAL #016	2-4 -14S-31E	В	247128	CELERO ENERGY II, LP	F	I	02/1999	QUEEN
1	30-005-00986	TRIGG FEDERAL	N-4 -14S-31E	N	247128	CELERO ENERGY	F	I	12/1992	QUEEN

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		#021				II, LP				
1	30-005-00987	TRIGG FEDERAL #022	K-4 -14S-31E	K	247128	CELERO ENERGY II, LP	F	0	09/1998	QUEEN
1	30-005-00988	TRIGG FEDERAL #023	F-4 -14S-31E	F	247128	CELERO ENERGY II, LP	F	I	12/1992	QUEEN
1	30-005-00989	TRIGG FEDERAL #024	3-4 -14S-31E	С	247128	CELERO ENERGY II, LP	F	0	09/1998	QUEEN
1	30-005-01021	TRIGG FEDERAL #028	D-9 -14S-31E	D	247128	CELERO ENERGY II, LP	F	I	07/1998	QUEEN
1	30-005-00990	TRIGG FEDERAL #029	M-4 -14S-31E	М	247128	CELERO ENERGY II, LP	F	I	07/1998	
1	30-005-00991	TRIGG FEDERAL #030	L-4 -145-31E	L	247128	CELERO ENERGY II, LP	F	I	12/1992	
1	30-005-00992	TRIGG FEDERAL #031	E-4 -14S-31E	E	247128	CELERO ENERGY II, LP	F	0	06/1996	QUEEN
1	30-005-00993	TRIGG FEDERAL #032	4-4 -14S-31E	D	247128	CELERO ENERGY II, LP	F	I	06/1994	QUEEN
1	30-005-00994	TRIGG FEDERAL #033	1-4 -14S-31E	A	247128	CELERO ENERGY II, LP	F	0	12/1992	QUEEN
1	30-005-00996	TRIGG FEDERAL #035	H-5 -14S-31E	Н	247128	CELERO ENERGY II, LP	F	I	05/1979	QUEEN
1	30-005-10158	TRIGG FEDERAL #037	2-4 -14S-31E	В	247128	CELERO ENERGY II, LP	F	I	07/1998	QUEEN
1	30-005-01093	WEST CAP QUEEN SAND UNIT #001	A-17-14S-31E	Α	247128	CELERO ENERGY II, LP	F	0	03/2005	
1	30-005-01096	WEST CAP QUEEN SAND UNIT #002	B-17-14S-31E	В	247128	CELERO ENERGY II, LP	F	I	03/2005	
1	30-005-01092	WEST CAP QUEEN SAND UNIT #004	H-17-14S-31E	Н	247128	CELERO ENERGY II, LP	F	I	03/2005	OUT OF COMPLIANCE 9- 17-04
1	30-005-01099	WEST CAP QUEEN SAND UNIT #006	J-17-14S-31E	J	247128	CELERO ENERGY II, LP	S	I	03/2005	OUT OF COMPLIANCE 9- 17-04
1	30-005-01090	WEST CAP QUEEN SAND UNIT #007	K-17-14S-31E	К	247128	CELERO ENERGY II, LP	F	0	03/2005	
1	30-005-01095	WEST CAP QUEEN SAND UNIT #009	N-17-14S-31E	N	247128	CELERO ENERGY II, LP	F	I	03/2005	
1	30-005-01100	WEST CAP QUEEN SAND UNIT #010	O-17-14S-31E	0	247128	CELERO ENERGY II, LP	S	0	12/2005	
1	30-005-01079	WEST CAP QUEEN SAND UNIT #012	M-16-14S-31E	М	247128	CELERO ENERGY II, LP	S	0	09/1998	
1	30-005-01103	WEST CAP QUEEN SAND UNIT #013	A-20-14S-31E	Α	247128	CELERO ENERGY II, LP	P	0	09/1998	
1	30-005-01105	WEST CAP QUEEN SAND UNIT #014	H-20-14S-31E	Н	247128	CELERO ENERGY II, LP	Р	I	12/1992	OUT OF COMPLIANCE 9- 17-04

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1	30-005-01107	WEST CAP QUEEN SAND UNIT #016	B-21-14S-31E	В	247128	CELERO ENERGY II, LP	F	I	01/2005	
1	30-005-01116	WEST CAP QUEEN SAND UNIT #017	C-21-14S-31E	c	247128	CELERO ENERGY II, LP	P	0	08/1996	
1	30-005-01114	WEST CAP QUEEN SAND UNIT #019	E-21-14S-31E	E	247128	CELERO ENERGY II, LP	P	0	08/1985	
1	30-005-01117	WEST CAP . QUEEN SAND UNIT #020	F-21-14S-31E	F	247128	CELERO ENERGY II, LP	P	I	12/1992	•
1	30-005-10104	WEST CAP QUEEN SAND UNIT #022	H-21-14S-31E	Н	247128	CELERO ENERGY II, LP	F	I	12/1982	QUEEN SAND
1	30-005-01120	WEST CAP QUEEN SAND UNIT #023	I-21-14S-31E	I	247128	CELERO ENERGY II, LP	F	0	12/1992	
1	30-005-01119	WEST CAP QUEEN SAND UNIT #024	J-21-14S-31E	J	247128	CELERO ENERGY II, LP	F	I	12/1992	QUEEN SAND
1	30-005-01118	WEST CAP QUEEN SAND UNIT #025	O-21-14S-31E	0	247128	CELERO ENERGY II, LP	F	0	12/1992	QUEEN
1	30-005-01102	ZIMMERMAN #002	P-20-14S-31E	Р	247128	CELERO ENERGY II, LP	Р	0	03/2005	QUEEN
1	30-005-01110	ZIMMERMAN A #001	N-21-14S-31E	N	247128	CELERO ENERGY II, LP	Р	0	03/2005	QUEEN
1	30-005-01112	ZIMMERMAN A #003	M-21-14S-31E	М	247128	CELERO ENERGY II, LP	Р	0	03/2005	QUEEN
1	30-005-01113	ZIMMERMAN A #004	L-21-14S-31E	L	247128	CELERO ENERGY	Р	0	03/2005	QUEEN

CELERO ENERGY-II, LP

By: Celero Energy Holdings II, LLC, General Partner

John E. Lodge

Its: Vice President – Land

Date: December 18, 2007